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HOUSE COMMITTEE ON AGRICULTURE

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REQUIRE MARKETING QUOTAS FOR RICE  
WHEN SUPPLY EXCEEDS NORMAL

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H.R. 7889

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AUGUST 25, 1959

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207

Hearing



## REQUIRE MARKETING QUOTAS FOR RICE WHEN TOTAL SUPPLY EXCEEDS NORMAL SUPPLY

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TUESDAY, AUGUST 25, 1959

HOUSE OF REPRESENTATIVES,  
RICE SUBCOMMITTEE OF THE  
COMMITTEE ON AGRICULTURE,  
Washington, D.C.

The subcommittee met at 10 a.m. in room 1310, House Office Building, Hon. Clark W. Thompson (subcommittee chairman) presiding, for the consideration of H.R. 7889.

(H.R. 7889 follows:)

[H.R. 7889, 86th Cong., 1st sess.]

A BILL To require marketing quotas for rice when the total supply exceeds the normal supply

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 354 of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out of subsection (a) thereof the words "by more than 10 per centum".

Mr. THOMPSON. The committee will be in order.

The Rice Subcommittee is meeting this morning for the consideration of H.R. 7889 which I introduced at the suggestion of several members of the rice industry.

Mr. Satterfield, will you please explain the bill, the reasons for it, and what would be accomplished by it.

### STATEMENT OF J. A. SATTERFIELD, COMMODITY STABILIZATION SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. SATTERFIELD. H.R. 7889 would delete from existing law the requirement that the total supply of rice must exceed the normal supply by more than 10 percent before marketing quotas can be proclaimed. By deleting such requirement marketing quotas would be proclaimed for the next crop of rice whenever in any marketing year it was determined that the total supply would exceed the normal supply.

At the present time marketing quotas are proclaimed only after the total supply exceeds domestic and export requirements by 21 percent. That is a substantial quantity of rice to be maintained in the carryover.

With rice being removed from the escalator provision of the Agricultural Act of 1949, we do not have any need to maintain that much rice in our carryover to preserve marketing quotas.

I mean by preserving marketing quotas that quotas be proclaimed each year as long as there is a real need for them.

Mr. THOMPSON. As a practical matter, Mr. Satterfield, when does the proclamation take place?

Mr. SATTERFIELD. The present law provides that not later than December 31 of any calendar year the Secretary shall make the determination as to what the total supply of rice is in relation to normal supply and if it is found that the total supply exceeds the normal supply by more than 10 percent, marketing quotas must be proclaimed.

Mr. THOMPSON. I am trying to get at the practical aspects of it. In December, for the sake of discussion, the Secretary determines the past year's domestic consumption plus—

Mr. SATTERFIELD. Plus the next year's exports.

Mr. THOMPSON. Export estimates?

Mr. SATTERFIELD. Yes. Both are estimates.

Mr. THOMPSON. Then you do not pay any attention to last year's figures except to guide you in the estimates of the coming year's requirements?

Mr. SATTERFIELD. That is correct with respect to exports.

Mr. THOMPSON. You estimate for the preceding year the domestic consumption plus the exports for the current year and you add 10 percent to both of these figures?

Mr. SATTERFIELD. Yes, as a carryover allowance.

Mr. THOMPSON. That constitutes the normal supply?

Mr. SATTERFIELD. That is right.

Mr. THOMPSON. If the supply on hand exceeds that by more than 10 percent then the marketing quotas are proclaimed?

Mr. SATTERFIELD. That is right.

Mr. THOMPSON. This bill, if it is enacted, will eliminate 10 percent from the practical supply, if you can call it that, of rice?

Mr. SATTERFIELD. That is right.

Mr. THOMPSON. Is it your opinion that this will have a good effect on the surplus of rice?

Mr. SATTERFIELD. That is correct, because any time you have the equivalent of 21 percent of your total supply as a carryover it will have a depressing effect upon the domestic market price of rice and I cannot see the need for a carryover of rice that large under present conditions.

Mr. THOMPSON. Have you discussed it with the rice industry?

Mr. SATTERFIELD. Yes, I have. I have not had an opportunity to talk with very many farmers. I was at the Rice Millers' Convention in Biloxi in May and talked to a few farmers who were attending that convention. I talked to quite a few members of the rice milling industry. In fact, some of the people I talked to stated that this bill was discussed at the annual convention of the Rice Promotion Association, which is made up of both the milling industry and producers, and all the farmers in attendance were in favor of this bill.

Mr. THOMPSON. I took it up with Mr. Marcus Mauritz, who has headed the Rice Promotion Association for some time. I think he has retired but he is an important leader in the industry. I told him of this meeting today and invited him to attend, but since I have discussed this with him by letter and telephone, I believe I know how he



feels. I told him if I did not hear from him to the contrary I would assume it was favorable.

Mr. SATTERFIELD. I talked to Mr. L. C. Carter, general manager of the Arkansas Rice Growers Cooperative Association, and he told me that in a series of meetings held in Arkansas this bill was discussed and that all of their members were in favor of it.

I talked to the general manager of the California Rice Growers Association, as well as the general manager of Farmers Cooperative in California, and they said they had discussed it with their members and they were in favor of it.

Mr. THOMPSON. Are there any questions, gentlemen?

Mr. GATHINGS. Mr. Chairman, I would like to ask a question or two.

Judge Satterfield, this bill would amend section 354(a) of the Agricultural Adjustment Act of 1938, as amended, and would provide, as the chairman has so well pointed out, that when such time arises, the normal supply of rice is exceeded, then quotas would be invoked for the succeeding year.

Mr. SATTERFIELD. That is right.

Mr. GATHINGS. And I believe you indicated that generally that is done in the latter part of December?

Mr. SATTERFIELD. That is the final date that the Secretary has to make that determination. He normally makes that determination in October or November.

Mr. THOMPSON. For the benefit of the producers who want to make their plans?

Mr. SATTERFIELD. That is right.

We have to do it as early as possible in order that farmers may be notified of their allotments in sufficient time to make their plans for the next year's crop.

Many of the producers make their farming arrangements in December and January, so we try to make the determination and notify farmers of their allotments prior to the time they normally make their farming arrangements.

Mr. GATHINGS. Judge, I have a copy here of the report filed by Ervin L. Peterson, Acting Secretary, under date of August 6.

Mr. Chairman, I ask unanimous consent that this report be inserted in the record.

Mr. THOMPSON. Without objection, that letter will be so incorporated. I might say for the benefit of the other members of the committee that the report of the Department is favorable.

I cannot find anybody who is opposed to the bill.

Mr. GATHINGS. I do not believe there is.

(The report above referred to follows:)

[Correction]

AUGUST 6, 1959.

HON. HAROLD D. COOLEY,  
*Chairman, Committee on Agriculture,*  
*House of Representatives.*

DEAR CONGRESSMAN COOLEY: This is in reply to your request of June 23, 1959, for a report on H.R. 7889, a bill to require marketing quotas for rice when the total supply exceeds the normal supply.

This Department recommends the enactment of H.R. 7889.

This bill would amend section 354(a) of the Agricultural Adjustment Act of 1938, as amended, to provide that marketing quotas shall be in effect for the crop of rice produced in the next calendar year whenever in any calendar year the Secretary determines that the total supply of rice for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year. The existing law provides that marketing quotas shall be in effect only if it is determined that the total supply will exceed the normal supply by more than 10 percent.

With Public Law 85-835 removing rice from the escalator provision of section 101(a) of the Agricultural Act of 1949, as amended, which required that the price of rice be supported at 75 to 90 percent parity based on the supply percentage for such commodity, there appears to be no essential need for maintaining a carryover of rice in excess of that provided for in the definition of normal supply (10 percent of domestic and export requirements) as set forth in section 301(b) (10) (A) of the Agricultural Adjustment Act of 1938, as amended. Such a carryover would amount to about 5 million hundredweight (rough rice basis).

Under existing law, marketing quotas on rice would be suspended if the carryover level is not in excess of 12 million hundredweight (rough rice basis). Without marketing quotas for rice in effect and with price supports mandatory at not less than the designated levels, producers generally could be expected to plant an acreage to rice substantially in excess of the national acreage allotment. The resulting production from such increased plantings, together with a carryover of about 12 million hundredweight, would, no doubt, aggravate and tend to perpetuate our current rice problems.

This bill, therefore, could reduce the overall cost to the Commodity Credit Corporation under its price-support operations on rice due to reduced deliveries.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

ERVIN L. PETERSON, *Acting Secretary.*

Mr. GATHINGS. I want to ask a question or two with regard to the production of rough rice in this country in the past 2 or 3 years.

Do you have some figures, Judge, to give us on the domestic production of rice?

Mr. SATTERFIELD. Yes.

Mr. GATHINGS. What was the production for the crop year 1958?

Mr. SATTERFIELD. The estimated production for the 1958 crop was 47,030,000

Mr. GATHINGS. 47,030,000?

Mr. SATTERFIELD. Hundredweight.

Mr. GATHINGS. What was the production in 1957?

Mr. SATTERFIELD. 42,954,000 hundredweight.

Mr. GATHINGS. What is your estimate for 1959?

Mr. SATTERFIELD. 52,118,000 hundredweight.

Mr. GATHINGS. What was the consumption domestically of rice in 1958?

Mr. SATTERFIELD. 26,275,000 hundredweight.

Mr. GATHINGS. What were the exports in 1958?

Mr. SATTERFIELD. We have not received the report on exports from the Department of Commerce for last month, but we are estimating—

Mr. GATHINGS. Let us have the last figures you have.

Mr. SATTERFIELD. We have firm figures for 11 months of the 1958-59 marketing year. We are estimating for the 12-month period, August 1958 through July 1959, 19.7 million hundredweight. In addition to the 19.7 million there is approximately 4 million hundredweight of rice that had been committed for export under the 480 program which was not lifted before August 1 of this year.



Mr. GATHINGS. I wonder if you could break that 19.7 million down and estimate what part of that 19.7 million went into cash sales for export and what part in 480 programs and what part was 416?

Mr. SATTERFIELD. I will have to furnish that later.

Mr. GATHINGS. If you would furnish that for the record.

Mr. THOMPSON. Without objection that will be included at this point in the record.

(The information requested follows:)

*Estimated rice exports (rough rice equivalent) 1958-59 marketing year,  
by programs*

	<i>Thousand Hundredweight</i>
1. Exports for dollars (commercial)-----	10, 062
2. Government export programs:	
(a) Title I, Public Law 480-----	4, 894
(b) Title II, Public Law 480-----	573
(c) Barter-----	3, 245
(d) Donations (sec. 416)-----	933
Total-----	9, 645
3. Total exports-----	19, 707

Mr. GATHINGS. Roughly, 26 million hundredweight is what was consumed in this country in the year 1958-59?

Mr. SATTERFIELD. That is right.

Mr. GATHINGS. And you estimate some 19 million hundredweight would be exported, out of a total of about 45 million hundredweight is about an ordinary year of total consumption domestically plus exports, is that right, what would be the comparison with a 10-year average?

Mr. SATTERFIELD. That probably is a little bit low. The 1953-57 average—that is the 5-year period preceding the 1958-59 marketing year—was 49,437,000 as compared with the 1958-59 domestic and export disappearance of 45 million.

Mr. GATHINGS. Is that due to a decrease in exports or did we lose out on some of our domestic consumption?

Mr. SATTERFIELD. It is due to a decline in exports. However, I might point out that in 1 year of that 5-year period, 1956-57, we had an extremely large export, 37,519,000 hundredweight.

Mr. GATHINGS. That was during the Korean war?

Mr. SATTERFIELD. No, that was following the Korean war.

Mr. GATHINGS. Immediately following the Korean war?

Mr. SATTERFIELD. Four years following the Korean war, 1955-56 was the first year in which we disposed of any substantial quantity of rice under the 480 program.

Mr. GATHINGS. The 480 program has been a great program for moving rice ever since it was enacted in 1953, has it not?

Mr. SATTERFIELD. That is correct, yes, sir.

Mr. GATHINGS. How much rise is being used in the school lunch program?

Mr. SATTERFIELD. I do not have those figures with me. I will have to furnish them later.

Mr. THOMPSON. We will include those figures at this point in the record.

(The information requested follows:)

*Donations of CCC-owned stocks of rice for school lunch programs*

[In hundredweight]

	Fiscal year				
	1955	1956	1957	1958	1959
Sec. 32.....		72,390	126,610		
Sec. 416.....	67,500	101,990	91,780	197,330	200,000

Mr. GATHINGS. I would just like to ask you what amount of rice is included in the Cuban agreement?

Mr. SATTERFIELD. I do not know whether they have a new agreement or not, but I think the quota that we have had in the past has been about 3.3 million hundredweight of milled rice.

Mr. GATHINGS. Milled rice?

Mr. SATTERFIELD. Yes.

Mr. GATHINGS. For the purpose of the record would you give us a comparison with what 3.3 million in milled rice would mean in comparison with rough rice?

Mr. THOMPSON. Off the record.

(Discussion off the record.)

Mr. SATTERFIELD. It is about 4.7 million.

Mr. GATHINGS. About 4.7 million rough rice?

Mr. SATTERFIELD. Yes. In addition to that, of course, there has been a supplemental quota each year which they announce toward the end of the last quarter bringing the total of rough rice equivalent to around 6 million hundredweight annually.

Mr. GATHINGS. They eat quite a lot of rice in Cuba. When will that agreement come up for renegotiation in Cuba?

Mr. SATTERFIELD. I am not sure when it will come up. I understood it was to be discussed with the Cuban Government shortly after our new Ambassador to Cuba took over that office.

Mr. THOMPSON. Off the record.

(Discussion off the record.)

Mr. THOMPSON. For the record, could we put in here that the answer to Mr. Gathings' question is about November 1st? Is that correct?

Mr. SATTERFIELD. That is really out of my field. What little I know about it has been attained secondhand.

Mr. THOMPSON. I understand from Mr. George Goddard that the answer to Mr. Gathings' question would be somewhere around the 1st of November.

Mr. GATHINGS. Thank you, Mr. Chairman.

Judge, we were all delighted in our area when we learned of the agreement with the United Arab Republic. How much rice was incorporated in that 480 agreement with the United Arab Republic?

Mr. SATTERFIELD. I think that was 880,000 hundredweight of milled rice. Again I do not have those figures with me this morning.

Mr. GATHINGS. The release I happen to have in my file states—what is that figure?

Mr. THOMPSON. In dollars it was \$5,300,000.

Mr. GATHINGS. And that would be about how much in hundred-weight?

Mr. SATTERFIELD. I was thinking about 40,000 metric tons. I am not too sure of that. It depends on the price at which it was sold and that, in turn, depends on the quality of the rice.

Mr. GATHINGS. Do those folks eat a pretty good grade of rice or what type of rice do they eat ordinarily?

Mr. SATTERFIELD. I think they eat reasonably good quality rice.

Mr. GATHINGS. Where have they been getting their requirements prior to the negotiation of this agreement recently?

Mr. SATTERFIELD. Primarily from Egypt, Italy, and Argentina.

Mr. GATHINGS. So this is a new market for rice?

Mr. SATTERFIELD. Not new for our rice but it is new for a larger quantity of our rice. We have exported some rice there before but in very small quantity.

Mr. GATHINGS. This bill would just say that instead of requiring a carryover of 45 million hundredweight plus 10 percent you would carry over approximately 45 million hundredweight. Is that what we are doing here by this proposal?

Mr. SATTERFIELD. No. We would carry over about 4.5 million so long as our domestic and export disappearance amounted to 45 million.

I would like to point out that under present legislation with a minimum national acreage allotment of 1,653,000 acres we are going to have to export around 24 million to 25 million hundredweight annually to keep our utilization of rice in balance with the supply. So with an export of that size it means that the carryover allowance in normal supply would be around 5 to 5.5 million hundredweight.

Mr. GATHINGS. Instead of what figure?

Mr. SATTERFIELD. Instead of the 4.5 million that we are talking about here as based on the domestic and export disappearance for the 1958-59 marketing year.

Mr. THOMPSON. Off the record.

(Discussion off the record.)

Mr. SHORT. Are quotas and allotments as they affect rice about in the same category as they affect wheat?

Mr. SATTERFIELD. Supposedly, but they have been a lot more effective. We have had high program participation on rice, about 99.9 percent of all rice producers have complied with their allotments.

Mr. SHORT. What I am trying to get at, allotments have not been in effect for rice all the time?

Mr. SATTERFIELD. Yes. They have been in effect every year since 1955.

Mr. SHORT. In other words, what you are dealing with here is an adjustment in allotments?

Mr. SATTERFIELD. It will not affect the allotments at all, Congressman Short. You will recall that last year rice was removed from the escalator provisions of the Agricultural Act of 1949, price support purposes. Prior to that time the Department had felt that the carryover of rice should be permitted to increase so that the level of price support could be reduced. Consequently, we built up a substantial surplus supply of rice during the period 1954 to 1956.



Mr. SMITH. Just a minute. Let me get that straight. You tell me the Department did something to keep the price from going up?

Mr. SATTERFIELD. Yes, sir. It allowed a substantial part of its takeover rice to accumulate which was a part of the carryover to levels where it caused the level of price support to decline.

Mr. SMITH. I heard of the Government messing around in business, but I didn't know they were doing that.

Mr. SATTERFIELD. I think Mr. McLain testified before this committee to that effect.

Mr. SMITH. Well, I am sorry to be so economically dumb.

Mr. SATTERFIELD. With the isolation provision no longer applicable to rice, there is no reason to have to maintain a carryover of around 20 million hundredweight which was done in the past to prevent the level of price support from advancing. The purpose of maintaining the level of price support more or less static or moving it downward was to reduce the incentive for overproduction.

Mr. GATHINGS. Mr. Chairman, I agree with Mr. Smith that the little rice production we have in this country would not go far to feed these hungry mouths, because people in the world eat a lot of rice. I believe in this country the consumption is about 6 pounds per capita?

Mr. SATTERFIELD. A little less than 6 pounds; about 5.8 pounds.

Mr. GATHINGS. What are these promotion associations doing? Are they increasing the consumption?

Mr. SATTERFIELD. Yes; there has been a slight increase in the last 2 or 3 years. Per capita consumption has been increased by about 0.1 to 0.2 pounds per year.

Mr. GATHINGS. But that will mean a lot in view of the number of people.

Mr. SATTERFIELD. That is right over a period of time.

Mr. THOMPSON. The rice industry is one that is trying to work out its own problems, whatever they might be. They feel their promotion efforts have been successful. I have been reading the minutes of their annual meetings in my district.

Mr. SATTERFIELD. With the rice industry being as small as it is, it will come slowly.

Mr. THOMPSON. Of course I am very close to the rice industry because it operates so heavily in my part of the country, and specifically in my district; but very frankly when my rice people come to a proposal, as we have in this case, to eliminate Government participation in their industry by taking away some of the surplus and letting it disappear, I am inclined to go along with it.

Mr. SMITH. Off the record.

(Discussion off the record.)

Mr. SHORT. In other words, what you are saying can be construed as saying there is a very effective maximum limit of rice?

Mr. SATTERFIELD. Yes; there is. You might build up to a sizable acreage in a particular year, in fact double or triple the present acreage.

Mr. SHORT. You could not maintain it?

Mr. SATTERFIELD. No, sir. You would have to cut back from the peak acreage due to the rotation system that must be followed in producing rice.

Mr. THOMPSON. Off the record.

(Discussion off the record.)

Mr. SATTERFIELD. We can now carry on a longer rotation period than in early years.

Mr. THOMPSON. I would think the rice potential in this country is considerably greater than we can use.

Mr. SATTERFIELD. It depends on the shift from other crops.

Mr. THOMPSON. Let them shift. There are some that are not too profitable under present conditions.

Gentlemen, this is very enlightening to me and I have very much enjoyed hearing the testimony. If you are satisfied with the testimony you have heard, we will move on to the next witness.

Mr. Johnson, do you want to testify or file a statement?

### STATEMENT OF REUBEN JOHNSON, THE NATIONAL FARMERS UNION

Mr. JOHNSON. Mr. Chairman, I did not bring a prepared statement, but I have a very brief comment I would like to make on the bill before the subcommittee.

I would like to say that the rice producers are proud of the program that they have in effect. The very high percentage of participation, 99.9 percent, as indicated by the Department witness, is a demonstration of the serious minded attitude they have toward making it work, and it is working.

The bill you have before you would give producers greater control over supply and because of this would give them greater bargaining power in the market.

I think the record that has been made this morning speaks for itself. I would just like to add that the Farmers Union fully supports the bill, H.R. 7889, which you are considering.

Mr. THOMPSON. Thank you very much, Mr. Johnson.

Are there any questions?

Are there any other witnesses that would like to testify?

Mr. GATHINGS. Mr. Chairman, I have a letter here that I would like to ask unanimous consent to go in the record, from Mr. L. C. Carter, general manager, the Arkansas Rice Growers Cooperative Association.

Mr. THOMPSON. Do you want it read or placed in the record?

Mr. GATHINGS. Either way.

Mr. THOMPSON. Suppose you tell us what is in the letter.

Mr. GATHINGS. He is in favor of this proposal. The letter about three paragraphs.

Mr. THOMPSON. Let me read it.

(Thereupon, the following letter was read by Mr. Thompson:)

THE ARKANSAS RICE GROWERS COOPERATIVE ASSOCIATION,  
*Stuttgart, Ark., August 22, 1959.*

Hon. E. C. GATHINGS,  
*House of Representatives,*  
*Washington, D.C.*

DEAR CONGRESSMAN GATHINGS: The Arkansas Rice Growers Cooperative Association, consisting of approximately 5,000 members and handling in excess of 50 percent of the Arkansas rice crop, is in favor of the enactment of the proposed legislation, H.R. 7889, to require marketing quotas for rice when the total supply exceeds the normal supply.



We have been in meetings with Arkansas rice farmers in 12 areas during the last 3 weeks and have not found a single producer opposed to the proposed legislation. Likewise, all segments of the industry, including producers, millers, and warehouse operators, have indicated their support of the bill.

Under the existing law, marketing quotas on rice would be suspended if the carryover level is in excess of 12 million hundredweight (rough-rice basis). We feel there is no reason to require this size carryover and strongly urge the enactment of the proposed legislation to reduce this figure to approximately 5 million hundredweight (rough-rice basis). The enactment of this legislation should reduce the overall cost to the Commodity Credit Corporation under its price-support operations on rice due to a reduction in deliveries.

We hope that you will use your influence to get this bill enacted before the end of this session of Congress.

Yours very truly,

L. C. CARTER, *General Manager.*

Mr. THOMPSON. Are there any further questions?

Are there any other communications that should be filed?

If not, a quorum being present, the committee will now go into executive session.

(Thereupon, at 10:45 a.m., the open hearing on H.R. 7889 was closed and the subcommittee went into executive session.)

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LEGISLATIVE HISTORY

Public Law 86-408  
H. R. 7889

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## INDEX AND SUMMARY OF H. R. 7889

June 22, 1959	Rep. Thompson, Tex., introduced H.R. 7889 which was referred to the House Agriculture Committee. Print of bill as introduced.
Aug. 25, 1959	House Agriculture subcommittee voted to report to the full committee, H. R. 7889.
Aug. 27, 1959	House committee reported H. R. 7889 without amendment. H. Report No. 1064. Print of bill and report.
Sept. 1, 1959	House passed H. R. 7889 under suspension of the rules.
Sept. 2, 1959	H. R. 7889 was referred to the Senate Agriculture and Forestry Committee. Print of bill as referred.
Feb. 17, 1960	Senate committee reported H. R. 7889 without amendment. S. Report No. 1092. Print of bill and report.
Mar. 28, 1960	Senate passed H. R. 7889 without amendment.
Apr. 4, 1960	Approved: Public Law 86-408





## DIGEST OF PUBLIC LAW 86-408

RICE MARKETING QUOTAS. Amends section 354 of the Agricultural Adjustment Act of 1938, as amended, so as to require marketing quotas for rice when the total supply of rice exceeds the normal supply (under previous law marketing quotas went into effect when the normal supply was exceeded by 10 percent).







86TH CONGRESS  
1ST SESSION

# H. R. 7889

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 22, 1959

Mr. THOMPSON of Texas introduced the following bill; which was referred to the  
Committee on Agriculture

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## A BILL

To require marketing quotas for rice when the total supply  
exceeds the normal supply.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That section 354 of the Agricultural Adjustment Act of  
4       1938, as amended, is amended by striking out of subsection  
5       (a) thereof the words "by more than 10 per centum".

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86TH CONGRESS  
1ST SESSION

H. R. 7889

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## A BILL

To require marketing quotas for rice when the total supply exceeds the normal supply.

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By Mr. THOMPSON of Texas

JUNE 22, 1959

Referred to the Committee on Agriculture





Aug. 25, 1957

10. DISASTER RELIEF. Received from the Government Operations Committee a report, "Federal Disaster Relief" (S. Rept. 807) (p. 15475). Sen. Humphrey explained that the report "is a complete handbook on disaster relief - to my knowledge the first ever published covering all Government programs - which will greatly expedite operation of the Federal program." p. 15488
  11. PEANUTS. Sen. Johnston denounced the proposal of Sen. Keating to include amendments on civil rights to H. R. 4938, to exempt green peanuts from allotments and quotas; Sen. Javits defended the proposal. pp. 15485-6
  12. RECREATION; LANDS. Disagreed to the House amendments to S. 1436, to provide that lands conveyed under the Recreation Act of 1926 for State park purposes shall not be subject to the 640 acre limitation. Senate conferees were appointed. p. 15486
  13. FOREIGN AID. Sen. Humphrey commended the creation of an International Development Association to aid underdeveloped countries, and inserted two articles discussing the new agency. pp. 15488-9
  14. FORESTRY. Sen. Humphrey urged enactment of legislation to provide for the establishment of wilderness areas on public lands, and inserted two articles discussing this proposed legislation. pp. 15492-3
  15. LEGISLATIVE PROGRAM. In addition to previous bill listed (see Digest 144) Sen. Johnson announced the additional following bills may be considered at any time: S. 2449, to extend the International Wheat Agreement Act; S. 2504, to authorize sale of CCC feed grains in drought areas; and H. R. 6904, to establish an Advisory Commission on Intergovernmental Relations. pp. 15524-5
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16. RICE. The Rice Subcommittee of the Agriculture Committee voted to report to the full committee H. R. 7839, to require marketing quotas for rice when the total supply exceeds the normal supply. p. D823
  17. HOUSING. The Banking and Currency Committee reported without amendment S. 2539, the new housing bill (H. Rept. 1040). p. 15558. (See Digest 140 for the portion of the bill of interest to this Department.)
  18. EXHIBITS; IMPORTS. Passed as reported H. R. 6249, to liberalize the type of exempt items under the tariff laws (pp. 15547-9). The bill, as amended, liberalizes the definition of "works of art" exempt ~~from~~ tariff duties and eases restrictions on the importation of articles of educational value if imported for display and not for sale. Certain agricultural items are already exempt under sections of the law amended by this bill.
  19. FOOD SURPLUSES. Rep. Lane criticized the "deficiencies" of the present surplus food distribution system, commended the distribution plan set forth in the food stamp plan approved by the Agriculture Committee, and stated that distributing this food to supplement present welfare aid is "a sensible way to utilize our plenty." pp. 15536-7
  20. SOIL CONSERVATION. Rep. McGovern announced that the Post Office Department would put out the first soil conservation stamp today (Aug. 26), the day of



the 14th annual meeting of the Soil Conservation Society of America, and commended the Society and its conservation efforts. p. 15556

21. EDUCATIONAL EXCHANGE. Received from the U. S. Advisory Commission on Educational Exchange the 22d semiannual report on the educational exchange activities conducted under the U. S. Information and Educational Exchange Act of 1948 for the first half of 1959 (H. Doc. 216). p. 15558
22. INTEREST RATES. Rep. Felly criticized the Ways and Means Committee for deciding to wait until next year to consider whether to increase or eliminate the present ceiling on new Treasury bonds and urged immediate consideration to remove the interest rate ceiling on Government savings bonds. p. 15537
23. SEEDS; TRANSPORTATION. The Judiciary Committee voted to report (but did not actually report) H. R. 6309 (amended), to provide that a section of a law providing for a penalty for the transportation of water hyacinths, alligator grass or water chestnut plants shall not apply to the transportation of certain plants and seeds into specified States. p. D824

#### ITEMS IN APPENDIX

24. SURPLUS COMMODITIES. Extension of remarks of Rep. Slack extending the "strongest possible endorsement for the amendment of Public Law 480 to include the food stamp proposal..." p. A7327

Rep. Robison inserted an editorial, "Our Kind of People," concerning "Public Law 480 through the looking glass." pp. A7369-70

25. FARM PROGRAM. Extension of remarks of Sen. Johnson inserting an article, "Futile Farm Control," which states that "the farm problem can never be solved by acreage controls." p. A7327

Extension of remarks of Rep. Betts inserting an article, "View From the Farm," which discusses and inserts excerpts from a speech by Chas. B. Shuman, American Farm Bureau Federation. p. A7359

26. RECLAMATION. Rep. Sisk inserted an editorial, "Reclamation Projects Yield Wide Variety of Essential Benefits." pp. A7328-9

27. LANDS. Extension of remarks of Rep. Montoya discussing the administration of public lands in N. Mexico. pp. A7339-40

Rep. Berry inserted a letter favoring the proposed Indian self-help bill. p. A7358

28. FLAG. Extension of remarks of Rep. Doyle inserting the text of two statutory provisions of Congress governing the display and use of the U. S. flag. pp. A7352-3

29. ELECTRIFICATION. Extension of remarks of Sen. Johnston commending and inserting an article, "REA Proves to Be Sound Investment." pp. A7357-8

30. CIVIL DEFENSE. Extension of remarks of Sen. Young, Ohio, inserting an article and stating that it "clearly indicates the confused and muddled status of our civil defense program." p. A7359





Aug. 27, 1959

evacuation program of Civil Defense officials, and stated that he opposed and objected to restoration of the money to the bill which is now in conference. pp. 15708-9

The supplemental appropriation estimate of the President for the Office of Civil and Defense Mobilization (S. Doc. 49 - see Digest 146) requests \$9,000,000 to be allocated for expenses necessary to discharge such civil defense and defense mobilization functions performed by other Federal agencies, as may be designated by OCDM, including \$477,000 for this Department.

11. WHEAT. Sen. Young, N. D., discussed a recent Newsweek article entitled "Wheat Controls", criticized the practices of the Chicago Board of Trade, and inserted publications substantiating his views. pp. 15740-1
12. MINERALS. Sens. Bartlett and Gruening analyzed and criticized the veto message on H. R. 6940, a bill to increase the acreage which can be held in Alaska under oil and gas leases. pp. 15760-4
13. SURPLUS FOOD. Sen. Randolph urged the Senate to pass food stamp legislation and inserted a newspaper editorial commending the House passage of such a bill as an amendment to the extension of the Agricultural Trade Development and Assistance Act. p. 15764
14. APPROPRIATIONS. Sen. Dirksen criticized the new table on the back page of the Congressional Record captioned "Table II.--New Obligational Authority Provided Outside the Appropriation Process (So-called Back Door Financing)." pp. 15703-4

HOUSE

15. HOGS. The Agriculture Committee reported with amendment H. R. 8394, to authorize the Secretary to make market payments on lightweight hogs (H. Rept. 1063). p. 15840
16. RICE. The Agriculture Committee reported without amendment H. R. 7889, to require marketing quotas for rice when the total supply exceeds the normal supply, (H. Rept. 1064). p. 15840
17. HOUSING. Passed, 283 to 105, without amendment S. 2539, the new housing bill (pp. 15769-808). Prior to passage of the bill, the House rejected, 156 to 231, a motion to recommit with instructions to delete certain provisions (pp. 15806-7). This bill will now be sent to the President. As passed, the bill extends the farm housing research program for 2 years and authorizes the expenditure of \$100,000 for farm housing research during the period July 1, 1959 to June 30, 1961. Rep. Brown, Ga., stated that "The farm housing research program may well help us find the answer to the problem of how to provide better farm housing at a lower cost and how to improve financing sources for farm housing (p. 15781).
18. CLAIMS. Concurred in the Senate amendments to H. R. 6000, to amend title 28 of the U. S. Code so as to increase the limit for administrative settlement of claims against the U. S. under the tort claims procedure from \$1000 to \$2500 (pp. 15768-9). The Senate amendment increased the limit from \$2000 (as passed by the House) to \$2500, while the bill as introduced provided for an increase to \$3000. This bill will now be sent to the President.



19. RECLAMATION; WATERSHEDS. Concurred in the Senate amendments to H. R. 968, to provide for the construction by Interior of the Bully Creek Dam and other facilities, Vale Federal reclamation project, Oregon (p. 15810). This bill will now be sent to the President.

Received from the Army Department a letter from the Corps of Engineers submitting a report on McKinney Bayou, Red River Basin, Ark. (H. Doc. 220). p. 15840

The "Daily Digest" states that it erroneously stated that the Interior and Insular Affairs Committee on Aug. 26 voted to report S. 281, relating to the construction of a reservoir at the Burns Creek site in the upper Snake River Valley, Idaho. Instead, the Committee voted to report (but did not actually report) S. 2181 (amended), to amend the Mineral Leasing Act of 1920, so as to modify oil, gas, coal, and certain other mineral leasing requirements and conditions. p. D838

The Agriculture Committee reported without amendment H. R. 4781, to amend the Watershed Protection and Flood Prevention Act to authorize the Secretary of Agriculture, in connection with the eleven watershed improvement programs authorized by the Flood Control Act of 1944, to prosecute additional works of improvement for the conservation, development, utilization and disposal of water, and to make loans or advancements to State and local agencies to finance the local share of costs of works of improvement provided in watershed work plans (H. Rept. 1068). p. 15840

The "Daily Digest" states that the Agriculture Committee approved plans for watershed projects in Fla., Ga., Ky., Tenn., Mass., Nebr., N. Mex., Ore., Penna., Texas, and Conn. p. D838

20. FAIRS; INFORMATION. Conferees were appointed on H. R. 3374, to authorize appropriations for Federal participation in the Century 21 Exposition to be held in Seattle, Wash., in 1961 (including USDA participation) (pp. 15772-3). Senate conferees have not yet been appointed.
21. FARM-CITY WEEK. The "Daily Digest" states that the Judiciary Committee tabled H. J. Res. 482 and 484 designating a National Farm-City Week. p. D838
22. MINERALS; LEASING. The Interior and Insular Affairs Committee reported with amendment H. R. 2181, to amend the Mineral Leasing Act of 1920, so as to modify oil, gas, coal, and certain other mineral leasing requirements and conditions (H. Rept. 1062) (p. 15840). (See item 19 for previous action on this bill.)
23. ACREAGE ALLOTMENTS; LANDS. The Agriculture Committee reported with amendment H. R. 8343, to permit the preservation of acreage allotments on land from which the owner is displaced by reason of the acquisition thereof by a Government agency in the exercise of the right of eminent domain (H. Rept. 1074). p. 15840
24. RADIATION; CIVIL DEFENSE. Rep. Holifield and others discussed the civil defense program and the effects of nuclear fallout on humans, food, and animals. pp. 15816-22
25. FOREIGN TRADE. Rep. Bailey commended a resolution being considered by



## RICE MARKETING QUOTAS

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AUGUST 27, 1959.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. COOLEY, from the Committee on Agriculture, submitted the following

### R E P O R T

[To accompany H.R. 7889]

The Committee on Agriculture, to whom was referred the bill (H.R. 7889) to require marketing quotas for rice when the total supply exceeds the normal supply, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

#### PURPOSE

The purpose of this bill is to provide that marketing quotas for rice will be in effect whenever the Secretary of Agriculture determines that the total supply of rice for any calendar year will exceed the normal supply. Existing law provides that marketing quotas shall be put into effect only if it is determined that the total supply will exceed the normal supply by more than 10 percent.

#### NEED FOR THE LEGISLATION

Marketing quotas for rice have been in effect for a number of years and production of rice has become stabilized at a level closely related to domestic consumption plus exports. The definition of "normal supply" in the Agricultural Act of 1938 with respect to rice is: "domestic consumption, plus exports, plus 10 percent." Existing law provides that marketing quotas shall be proclaimed for any crop of rice only if the total supply will exceed the normal supply by more than 10 percent. Thus a carryover of more than 20 percent in the rice crop is necessary in order to authorize the Secretary of Agriculture to proclaim quotas.

Under the stabilized production and marketing conditions which have developed with respect to rice, it is quite likely that a carryover of more than 20 percent in excess of domestic consumption plus ex-

ports will not be forthcoming with each future crop. Ricegrowers consider it highly undesirable that quotas should be suspended for a 1-year period and then reinstated the following year, and have, therefore, requested the amendment of the law to make it more likely that quotas will be in effect without interruption.

At hearings held on the bill, the approval of virtually all the organizations representing rice producers was indicated, as well as the approval of general farm organizations, and no witnesses appeared in opposition to the bill.

#### COST OF THE BILL

The bill would reduce the overall cost to the Commodity Credit Corporation under its price-support operations on rice because of the reduced supply and the probable reduced deliveries to CCC.

#### DEPARTMENTAL APPROVAL

Approval of the bill by the Department of Agriculture is indicated in the following letter:

AUGUST 6, 1959.

Hon. HAROLD D. COOLEY,  
*Chairman, Committee on Agriculture,*  
*House of Representatives.*

DEAR CONGRESSMAN COOLEY: This is in reply to your request of June 23, 1959, for a report on H.R. 7889, a bill to require marketing quotas for rice when the total supply exceeds the normal supply.

This Department recommends the enactment of H.R. 7889.

This bill would amend section 354(a) of the Agricultural Adjustment Act of 1938, as amended, to provide that marketing quotas shall be in effect for the crop of rice produced in the next calendar year whenever in any calendar year the Secretary determines that the total supply of rice for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year. The existing law provides that marketing quotas shall be in effect only if it is determined that the total supply will exceed the normal supply by more than 10 percent.

With Public Law 85-835 removing rice from the escalator provision of section 101(a) of the Agricultural Act of 1949, as amended, which required that the price of rice be supported at 75 to 90 percent parity based on the supply percentage for such commodity, there appears to be no essential need for maintaining a carryover of rice in excess of that provided for in the definition of "normal supply" (10 percent of domestic and export requirements) as set forth in section 301(b)(10)(A) of the Agricultural Adjustment Act of 1938, as amended. Such a carryover would amount to about 5 million hundredweight (Rough rice basis).

Under existing law, marketing quotas on rice would be suspended if the carryover level is not in excess of 12 million hundredweight (Rough rice basis). Without marketing quotas for rice in effect and with price supports mandatory at not less than the designated levels producers generally could be expected to plant an acreage to rice substantially in excess of the national acreage allotment. The resulting production from such increased plantings, together with a carryover of about 12 million hundredweight, would, no doubt, aggravate and tend to perpetuate our current rice problems.

This bill, therefore, could reduce the overall cost to the Commodity Credit Corporation under its price-support operations on rice due to reduced deliveries.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

(s) ERVIN L. PETERSON,  
*Acting Secretary.*

#### CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

#### AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

\* \* \* \* \*

#### MARKETING QUOTAS

SEC. 354. (a) Whenever in any calendar year the Secretary determines that the total supply of rice for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year [by more than 10 per centum], the Secretary shall not later than December 31 of such calendar year proclaim such fact and marketing quotas shall be in effect for the crop of rice produced in the next calendar year.

(b) Within thirty days after the date of the issuance of the proclamation specified in subsection (a) of this section, the Secretary shall conduct a referendum by secret ballot of farmers engaged in the production of the immediately preceding crop of rice to determine whether such farmers are in favor of or opposed to such quotas. If more than one-third of the farmers voting in the referendum oppose such quotas the Secretary shall, prior to the 15th day of February, proclaim the result of the referendum and such quotas shall become ineffective.





Union Calendar No. 462

86TH CONGRESS  
1ST SESSION

# H. R. 7889

[Report No. 1064]

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 22, 1959

Mr. THOMPSON of Texas introduced the following bill; which was referred to the Committee on Agriculture

AUGUST 27, 1959

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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## A BILL

To require marketing quotas for rice when the total supply exceeds the normal supply.

1      *Be it enacted by the Senate and House of Representa-*  
2      *tives of the United States of America in Congress assembled,*  
3      That section 354 of the Agricultural Adjustment Act of  
4      1938, as amended, is amended by striking out of subsection  
5      (a) thereof the words "by more than 10 per centum".



86TH CONGRESS  
1ST SESSION

**H. R. 7889**

[Report No. 1064]

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**A BILL**

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To require marketing quotas for rice when the total supply exceeds the normal supply.

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By Mr. THOMPSON of Texas

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JUNE 22, 1959

Referred to the Committee on Agriculture

AUGUST 27, 1959

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed







and farms, wildlife and recreation vital to the health of every American.  
p. 16049

Sen. McCarthy inserted an article, "Fouling of U. S. Water Outruns Purification--Pollution Problem Grows in Many States Despite Control Efforts, Sewage Plants Built with Federal Aid; Bigger Program Sought." pp. 16051-2

10. INTEREST RATES. Sen. Keating urged support for the President's proposal to remove the interest rate ceiling on long-term Treasury obligations and inserted two newspaper articles on the subject. pp. 16083-6

11. FOREIGN TRADE. The "Daily Digest" states that the Interstate and Foreign Commerce Committee deferred action until next year on H.R. 5068, to provide for the licensing of independent foreign freight forwarders and that this Committee "gave final approval to membership of the Advisory Council on Foreign Trade Study." p. D855

#### HOUSE

12. RESEARCH. Passed under suspension of the rules H. R. 8639, the industrial-uses research bill which would create an Agricultural Research and Development Commission as an independent agency (see Digest 150 & 151 for a summary of the provisions of the bill as reported) (pp. 16149-60). Substituted the language of H. R. 8639 as passed for that of a related bill, S. 690, and passed S. 690. H. R. 8639 was then tabled (pp. 16171-2).

13. RICE. By a vote of 330 to 52, passed under suspension of the rules H. R. 7889, to require marketing quotas for rice when the total supply of rice exceeds the normal supply (under present law marketing quotas go into effect when the normal supply is exceeded by 10 percent). pp. 16147-9

14. PERSONNEL. By a vote of 382 to 4, passed under suspension of the rules S. 2162, to provide a health insurance program for Federal employees (see Digest 145 for a summary of the provisions of the bill as reported) (pp. 16109-23). The "Daily Digest" states that the bill was passed with amendments and returned to the Senate (p. D856).

15. AIR POLLUTION. Passed under suspension of the rules H. R. 7476, to extend for 2 additional years, until June 30, 1962, the authority of the Surgeon General of the Public Health Service with respect to air pollution control. pp. 16145-7

16. PAYROLLING; TAXES. By a vote of 251 to 133, rejected a motion to suspend the rules and pass H. R. 3151, to provide for the withholding of city taxes by the Federal Government from the salaries of Federal employees in cities with populations of 50,000 or more (a two-thirds majority is required for passage under suspension of the rules). pp. 16160-71

17. APPROPRIATIONS. Rep. Aspinall criticized the President's veto of the public works appropriation bill, and urged the House to override the veto. p. 16173

18. INFORMATION. The Government Operations Committee adopted a report, "Availability of Information From Federal Departments and Agencies (Progress of Study, August 1958-July 1959)". p. D857

19. EXHIBITS. Received the conference report on H. R. 8374, to authorize \$12,500,000 for Federal participation in the Century 21 Exposition to be held in Seattle, Wash., in 1961 and 1962 (including USDA participation) (H. Rept. 1104). (pp. 16098, 16196) The Senate received and agreed to the report Aug. 29.
20. WATERSHEDS. Received and referred to the Appropriations Committee a letter from the Agriculture Committee approving the following watershed plans: Blackberry River, N. Branch Park River, Conn.; Taylor Creek, Fla.; Potato Creek, Ga.; Crab Orchard Creek, Ky.; East Fork of Clarks River, Ky. and Tenn.; SuAsCo, Mass.; Bowman-Spring Branch, Nebr.; Santa Cruz River, N. Mex.; Willakenzie Area, Ore.; Greene-Dreher, Pa.; and Caney Creek, Tex. p. 16172
21. PUBLIC LANDS. Received the conference report on H. R. 6939, to increase the area of public lands in Alaska which may be held under coal lease by any one person or firm from 2,560 acres to 10,240 acres or, in some circumstances, to 15,360 acres (H. Rept. 1116). (pp. 16172-3, 16196) The Senate received and agreed to the report Aug. 28.
22. FOREIGN AFFAIRS. The Foreign Affairs Committee reported without amendment H. R. 8582, to authorize the San Benito International Bridge Co. to construct a toll bridge across the Rio Grande near Los Indios, Tex. (H. Rept. 1113). P. 16196
23. LEGISLATIVE PROGRAM. At the request of Rep. Mills permission was granted to consider the following bills Wed., Sept. 2, under motions to suspend the rules: H. R. 5813, effects of insecticides on fish and wildlife, and S. 2181, amendments to Mineral Leasing Act. p. 16172

#### ITEMS IN APPENDIX

24. TAXATION. Extension of remarks of Rep. Herlong elaborating on some of the key points in proposed legislation to reform Federal tax rates and methods to accord with the economics of progress. pp. A7572-4
25. FOREIGN AID. Rep. Devine inserted the testimony of Dean Manion, Citizens Foreign Aid Committee, before the Senate Appropriations Committee concerning his views on the constitutional aspects of the Foreign Aid program. pp. A7576-3
26. PERSONNEL. Extension of remarks of Sen. Neuberger inserting correspondence urging the Senate to insist upon the inclusion of the Advisory Council in the proposed health benefits program for Federal employees. pp. A7580-1  
  
Extension of remarks of Rep. Rhodes stating that it is past time that "we also show concern over the need for reform of labor-management relations affecting the Federal Government and its employees." pp. A7615-6
27. CORN. Extension of remarks of Rep. Smith, Iowa, inserting an article, "What Iowans Are Doing And Saying About The Big Corn Crop." pp. A7581-2
28. APPROPRIATIONS. Extension of remarks of Rep. Evins criticizing the President's veto of the public works appropriation bill and stating that "a vote to override the veto will sustain the prerogative of the Congress to establish the policy of our Nation." p. A7589



Mr. SCHENCK. I do not have my figures at hand; does the gentleman mean for the past programs?

Mr. GROSS. For the past programs and for the fiscal year 1960.

Mr. SCHENCK. This legislation merely extends the present authorized program for a 2-year period beginning July 1, 1960. It is necessary to do that in order for the public health service to make its case before the Committee on Appropriations early in the next session of Congress.

Mr. GROSS. The appropriation for this purpose is going up all the time. It went up from \$4 million for 2 years, 1958 and 1959, to \$4,212,000 for fiscal year 1960 alone. Can the gentleman foresee any end to this?

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. SCHENCK. I yield.

Mr. ROBERTS. I will say to the gentleman from Iowa that this is a most modest approach that has been made. The other body passed a bill calling for 4 years at the rate of \$7½ million a year.

The budget said that there should be no ceiling on the appropriation and the committee took the view that we could hold it down to \$5 million a year. I will say to the gentleman further that the matter of air pollution is growing, but we do not want to authorize more than is needed to accomplish the desired results in handling the problem of air pollution.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SCHENCK. I yield.

Mr. GROSS. I am not very much impressed, I will say to the gentleman, by the fact that the other body asked for a much higher expenditure for this purpose. It seems to me all the Members are pretty well acquainted with the fact that the other body is notorious for upping appropriations and spending money for purposes of this kind. I still have no answer to my question as to how long this is going on and how much money is going to be spent in this connection?

Mr. SCHENCK. Mr. Speaker, may I say in answer to my colleague from Iowa that this is an authorization bill not to exceed \$5 million each for 2 years, and that it will be entirely up to the Department of Health, Education, and Welfare to justify its own request, and that we, as Members of the Congress, will have full opportunity to study the budget or the Appropriation Committee recommendations at the proper time.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. SCHENCK. I yield.

Mr. HARRIS. I think the RECORD should show, I will say to the gentleman from Iowa, that there are certain areas in the United States where this problem is extremely serious. For example, on the coast of California, it has been brought to the attention of the committee that it is growing more and more serious all the time. In the State of Pennsylvania, there are certain areas that have the same problem. There are other areas of the United States that have this problem. It is those areas where there is such a serious problem concerning the health and welfare of the

people that have brought this problem to our committee and caused the Department of Health, Education, and Welfare to make this request.

The SPEAKER. The question is: Will the House suspend the rules and pass the bill?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### RICE MARKETING QUOTAS

Mr. THOMPSON of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7889) to require marketing quotas for rice when the total supply exceeds the normal supply.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled, That section 354 of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out of subsection (a) thereof the words "by more than 10 per centum".*

The SPEAKER. Is a second demanded?

Mr. MCINTIRE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. THOMPSON of Texas. This bill is unique in several respects. For one thing, it is not opposed as such by anybody as far as I have heard. For another, it is designed to lower surplus stocks of rice by as much as 50 percent without costing anybody anything except possibly some people in the warehouse business. It passed the Committee on Agriculture unanimously, and it has the favorable endorsement of the Department of Agriculture.

Those two facts, I think, are pretty nearly unique.

Mr. Speaker, under the present law, marketing quotas do not go into effect until the normal supply of rice is exceeded by more than 10 percent. One purpose of that excess 10 percent was to give the Department some extra latitude before the old escalator clause would go into effect. This clause no longer applies to rice. Therefore, there is no remaining reason to continue the 10 percent surplus, and this bill now under consideration removes it.

Mr. Speaker, I would call to your attention the fact that the rice industry has always stood on its own two feet. It would, if it were permitted, get out from under controls of every character within the next few years. We tried to do that for the industry through what is known as the domestic allotment plan. The surplus in rice is virtually nil. The industry in the case of the present bill would profit only remotely and the farmers would not profit at all. The industry would profit because orderly marketing would come about more quickly.

Mr. Speaker, I see no reason to continue the present situation unless you like surpluses and want them continued.

Mr. Speaker, I now yield 5 minutes to the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Speaker, I think the record shows very clearly that the Republican Secretary of Agriculture, Mr. Benson, has offered none and hindered all efforts to have a rounded, overall, complete agricultural program.

We have here today a measure the merits of which have been well explained by its very able author the gentleman from Texas [Mr. THOMPSON] has an outstanding record of voting and working for measures of overall national benefit. But I think it is also well at this time to point out that the road to the solution of the farm problem is not piecemeal legislation. The treatment of the problem under the present Secretary of Agriculture, Mr. Benson, has had the result of hurting the farmers and making the consumers and urban groups feel more burdened by the taxes they have had to pay to support the farm program.

So I cannot help but express at this time on behalf of many people on this side the feeling that the welfare of our country demands the kind of leadership that will not continue piecemeal farm legislation but that believes in farm legislation that will really do the job.

Many of us, I believe, hope and will certainly fight in the next session of Congress for that kind of allover program. We want a bill that will help the farmer.

Those of us who come from city areas want to work with the farming groups on a program that we may be able to support in the name of the consumers whom we represent; and I would just simply emphasize once again that as far as I personally am concerned, and I think I speak for a few others, the time for piecemeal legislation has come to an end.

Mr. SANTANGELO. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from New York.

Mr. SANTANGELO. I wish to associate myself with the views expressed by the gentleman from California. As a member of the House Appropriations Subcommittee on Agriculture I have been deeply concerned with this problem of piecemeal legislation. It is high time we took a definite stand to solve the problem of the farmers which will be satisfactory to the farmers and to the consumers in the big cities. I agree with the gentleman and I think it is high time that the Democratic Party took that leadership to bring out an all inclusive agricultural bill.

Mr. ROOSEVELT. I thank the gentleman. I would simply reiterate that we must point out to the country that the Republican leadership has given us no such program and therefore they will have to look to the Democratic Party for this program.

Mr. HOEVEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I listened with interest to the political speech of the gentleman from California [Mr. ROOSEVELT]. I have been one of those who has tried des-



perately hard to keep the farm problem out of politics.

The gentleman does confess, that there is a duty upon the majority party to present comprehensive farm legislation which can actually be enacted into law.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. HOEVEN. I yield.

Mr. ROOSEVELT. If it cannot be enacted into law, it is only because of the threat of veto by the present administration. All I can say is we should present it as an issue in 1960 and get a President who will sign it into law and a Secretary of Agriculture who will put it into effect.

Mr. HOEVEN. Again the gentleman has sounded a political note which has no business in discussion of farm legislation.

The gentleman has admitted that there is a duty upon the majority party to enact legislation. Let me remind the gentleman, that the Democrats have complete control of the Committees on Agriculture in both the House and the Senate, and they have complete control of the Congress. They have the votes to enact any kind of farm program if they choose so to do. Incidentally, they also have the votes to override a veto.

But getting to the bill presently before us, this is a good piece of legislation.

Full hearings were held on the bill. It was supported by virtually all organizations representing the rice producers of this country, as well as having the approval of practically all of the farm organizations. Not a single witness appeared in opposition to this legislation.

The bill has the full approval of the Department of Agriculture and recommends the enactment of this legislation. The most important thing of all is that the bill will cut the cost of CCC holdings of surplus rice. The bill is a step in the right direction and I urge the enactment of the legislation.

Mr. THOMPSON of Texas. Mr. Speaker, I have listened with interest to this discussion of the need for an overall program on agriculture. Not all of us on the Committee on Agriculture, of course, have been in favor of what is going on. I myself have a few suggestions along that line. At least the gentlemen who have spoken have not opposed this bill, and I want to say to them I appreciate their forbearance and trust that another year and in another session we can bring in a complete farm bill that will suit the purposes of the city boys and those of us who are from the country, too.

Mr. GATHINGS. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of Texas. I yield to the gentleman from Arkansas.

Mr. GATHINGS. I want to commend the gentleman from Texas for bringing this bill to the floor. It is very meritorious legislation.

(Mr. GATHINGS asked and was given permission to revise and extend his remarks.)

Mr. THOMPSON of Texas. Mr. Speaker, I ask unanimous consent that

all Members may have the privilege of extending their remarks at this point in the RECORD on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. YATES. Mr. Speaker, will the gentleman yield to me?

Mr. THOMPSON of Texas. I yield to the gentleman from Illinois.

Mr. YATES. As I understand this bill, it will reduce the overall cost of the Commodity Credit Corporation in its price-support program, and would be of benefit to the taxpayers of this country?

Mr. THOMPSON of Texas. That is correct.

Mr. YATES. May I say to the gentleman I favor the bill and will vote for it.

Mr. THOMPSON of Texas. I thank the gentleman.

(Messrs. THOMPSON of Texas and HOEVEN asked and were given permission to revise and extend remarks previously made.)

The SPEAKER pro tempore (Mr. MILLS). The question is on suspending the rules and passing the bill.

The question was taken; and on a division (demanded by Mr. SANTANGELO), there were—ayes 122, noes 26.

Mr. HAYS. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 330, nays 52, not voting 53, as follows:

#### [Roll No. 152]

#### YEAS—330

Abbott	Boyle	Dawson
Abernethy	Brademas	Denton
Adair	Bray	Derounian
Addonizio	Breeding	Devine
Albert	Brook	Dixon
Alexander	Brooks, La.	Dollinger
Alford	Brooks, Tex.	Donohue
Alger	Brown, Ga.	Dorn, S.C.
Andersen, Minn.	Brown, Mo.	Dowdy
Anderson, Mont.	Brown, Ohio	Downing
Arends	Broyhill	Doyle
Ashmore	Buckley	Durham
Aspinall	Budge	Dwyer
Auchincloss	Burdick	Edmondson
Avery	Burke, Ky.	Elliott
Ayres	Burke, Mass.	Everett
Bailey	Burleson	Evens
Baker	Bush	Fallon
Baldwin	Byrne, Pa.	Fascell
Baring	Byrnes, Wis.	Feighan
Barr	Cahill	Fenton
Barrett	Cannon	Fisher
Barry	Carnahan	Flood
Bass, N.H.	Casey	Flynn
Bass, Tenn.	Cederberg	Flynt
Bates	Chamberlain	Fogarty
Becker	Chelf	Foley
Beckworth	Chenoweth	Forand
Belcher	Chiperfield	Forrester
Bennett, Fla.	Church	Fountain
Bennett, Mich.	Coad	Frelinghuysen
Bentley	Coffin	Friedel
Berry	Collier	Gallagher
Betts	Colmer	Garmatz
Blitch	Conte	Gary
Boggs	Cook	Gathings
Bolling	Cramer	Gavin
Bonner	Cunningham	George
Bosch	Curtin	Giaimo
Bow	Curtis, Mass.	Goodell
Bowles	Curtis, Mo.	Granahan
Boykin	Daniels	Grant
	Davis, Ga.	Green, Pa.
	Davis, Tenn.	Gross

Gubser	McIntire	Rivers, Alaska
Hagen	McMillan	Rivers, S.C.
Haley	McSweeney	Roberts
Halleck	Mack, Ill.	Robison
Hardy	Mack, Wash.	Rodino
Hargis	Magnuson	Rogers, Colo.
Harmon	Mahon	Rogers, Fla.
Harris	Maillard	Rogers, Mass.
Harrison	Marshall	Rogers, Tex.
Healey	Matthews	Rooney
Hébert	May	Rutherford
Hechler	Meader	Saund
Hemphill	Merrow	Schenck
Henderson	Michel	Scherer
Herlong	Miller, Clem	Schwengel
Hiestand	Miller,	Scott
Hoeven	George P.	Selden
Hoffman, Ill.	Miller, N.Y.	Sheppard
Hoffman, Mich.	Milliken	Shipley
Hogan	Mills	Short
Holland	Minshall	Siler
Holt	Montoya	Simpson, Ill.
Horan	Moore	Simpson, Pa.
Huddleston	Moorhead	Sisk
Hull	Morgan	Smith, Calif.
Ikard	Morris, N. Mex.	Smith, Iowa
Inouye	Morris, Okla.	Smith, Kans.
Jarman	Morrison	Smith, Miss.
Jennings	Moss	Smith, Va.
Jensen	Moulder	Springer
Johansen	Multer	Staggers
Johnson, Calif.	Mumma	Steed
Johnson, Md.	Murphy	Stratton
Johnson, Wis.	Murray	Stubblefield
Jonas	Natcher	Sullivan
Jones, Ala.	Nelsen	Taber
Judd	Nix	Thompson, Tex.
Karsten	Norblad	Thomson, Wyo.
Kearns	Norrell	Thornberry
Kee	O'Brien, Ill.	Toll
Keith	O'Hara, Ill.	Tollefson
Keogh	O'Hara, Mich.	Trimble
Kilburn	O'Konski	Tuck
Kilday	O'Neill	Udall
Kilgore	Oliver	Ullman
King, Calif.	Ostertag	Utt
King, Utah	Passman	Vinson
Kirwan	Patman	Wallhauser
Kitchin	Perkins	Walter
Kluczynski	Pfost	Wampler
Knox	Philbin	Watts
Lafore	Pilcher	Weaver
Laird	Pillion	Wels
Lane	Pirnie	Whitener
Langen	Poff	Whitten
Lankford	Preston	Widnall
Latta	Price	Wier
Lennon	Prokop	Williams
Levering	Pucinski	Willis
Libonati	Quile	Wilson
Lipscomb	Randall	Winstead
Loser	Ray	Wolf
McCormack	Reece, Tenn.	Wright
McCulloch	Rees, Kans.	Yates
McDowell	Reuss	Young
McFall	Rhodes, Ariz.	Younger
McGinley	Riley	Zablocki

#### NAYS—52

Blatnik	Halpern	Porter
Boland	Hays	Quigley
Broomfield	Holifield	Rabaut
Celler	Holtzman	Rhodes, Pa.
Clark	Hosmer	Roosevelt
Cohelan	Irwin	Rostenkowski
Corbett	Karath	Roush
Daddario	Kasem	Santangelo
Delaney	Kastenmeier	Saylor
Dent	Kelly	Shelley
Dingell	Kowalski	Slack
Dorn, N.Y.	Lindsay	Teller
Dulski	Macdonald	Vanik
Farbstein	Martin	Van Zandt
Fino	Meyer	Wainwright
Fulton	Moeller	Zelenko
Green, Oreg.	Osmers	
Griffiths	Pelly	

#### NOT VOTING—53

Allen	Gray	Poage
Andrews	Griffin	Powell
Anfuso	Hall	Rains
Ashley	Hess	Riehlman
Barden	Jackson	St. George
Baumhart	Johnson, Colo.	Sikes
Bolton	Jones, Mo.	Spence
Brewster	Landrum	Taylor
Canfield	Lesinski	Teague, Calif.
Carter	McDonough	Teague, Tex.
Cooley	McGovern	Thomas
Dague	Machrowicz	Thompson, La.
Derwinski	Madden	Thompson, N.J.
Diggs	Mason	Van Pelt
Dooley	Metcalf	Westland
Ford	Mitchell	Wharton
Frazier	Monagan	Withrow
Glenn	O'Brien, N.Y.	



So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Rains with Mr. Allen.  
Mr. Anfuso with Mr. Mason.  
Mr. Lesinski with Mr. Derwinski.  
Mr. O'Brien of New York with Mr. Hess.  
Mr. Diggs with Mr. Glenn.  
Mr. Carter with Mr. Baumhart.  
Mr. Hall with Mrs. Bolton.  
Mr. Andrews with Mrs. St. George.  
Mr. McGovern with Mr. Taylor.  
Mr. Machrowicz with Mr. Teague of California.  
Mr. Monagan with Mr. Canfield.  
Mr. Brewster with Mr. Westland.  
Mr. Mitchell with Mr. Dague.  
Mr. Madden with Mr. Withrow.  
Mr. Thompson of Louisiana with Mr. Ford.  
Mr. Sikes with Mr. Dooley.  
Mr. Teague of Texas with Mr. Van Pelt.  
Mr. Powell with Mr. Wharton.  
Mr. Thompson of New Jersey with Mr. Riehlman.  
Mr. Frazier with Mr. McDonough.  
Mr. Cooley with Mr. Jackson.  
Mr. Thomas with Mr. Griffin.

Mr. O'HARA of Michigan, Mr. COLLIER, and Mr. BOYLE changed their vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

#### AGRICULTURAL RESEARCH DEVELOPMENT COMMISSION

Mr. ABERNETHY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8639) to create an Agricultural Research and Development Commission, to provide for more effective research programs designed to expand markets for agricultural and forestry products, to reduce surpluses, to increase farm income, and to benefit consumers, and for other purposes, with a committee amendment.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

##### DECLARATIONS AND FINDINGS

SECTION 1. That the Congress of the United States hereby makes the following declarations and findings concerning the development of expanded markets for American farm products:

(a) It is in the national interest of the United States to increase the level of farm income in order that farmers may share equitably in the general prosperity of the Nation.

(b) It is in the national interest that the United States have efficient, low-cost agricultural production and distribution, not only to increase farm income through reduced costs and expanded markets, but also to benefit consumers through such efficient operations.

(c) Research can make major contributions toward expanding markets, increasing farm income, benefiting consumers, and reducing surpluses through greater utilization, by its influence in cutting the costs and improving the methods of producing, marketing, processing, and distributing farm products, and by its influence on quality and also on new and improved processes and products.

(d) Development of expanded industrial and other uses for farm products, and of new products from agricultural commodities, will

enlarge income opportunities for farmers. It will also reduce the need for Government acquisition, storage, and ultimate disposition of commodities now in surplus.

(e) The expansion of markets for agricultural products requires that they be competitive as to quality of the raw product and as to quality at every subsequent stage of processing and distribution, and as to new and improved products.

(f) Because in many instances the relationship of price and quality exert a powerful influence on consumer acceptance and market volume, research should be directed toward reducing the costs of producing, marketing, processing, and distributing and to improve methods to pave the way to higher per-family farm income.

(g) A dynamic agricultural research program requires a balance of effort between production, marketing, and utilization research—including, but not restricted to, nutritional research, industrial research, and product development—and between basic and applied studies, that most effectively meets the problems and needs of agriculture and of individual commodities and farm situations at all times.

(h) Public and private research agencies, including the Department of Agriculture, the land-grant colleges, other universities and research institutions, as well as private firms, can and should be utilized for an all-out research effort on agriculture's problems and opportunities. All phases of agricultural research, experimentation and testing, marketing and market development, pilot plant, product development, and trial commercialization with corollary economic and related studies should be included in this research effort. Facilities should be established as needed to permit adequate experimentation and testing, and production and market development, or promising new and improved products, and the evaluation of new and improved processes.

##### PURPOSES

SEC. 2. The purposes of this Act are to promote the increased effectiveness of agricultural research, including forestry, and thereby to expand the markets for and increase the utilization of farm and forest products, increase farm income opportunities, benefit consumers, and strengthen the national economy.

##### COMMISSION CREATED

SEC. 3. There is hereby created an independent agency in the executive branch of the Government to be known as the Agricultural Research and Development Commission (hereinafter referred to as the "Commission"), which shall be composed of seven members appointed by the President, by and with the advice and consent of the Senate, who shall serve at the pleasure of the President, and one of whom he shall designate as chairman. The first members of the Commission shall be appointed for terms of one, two, and three years, respectively, from the date of the enactment of this Act, the term of each to be designated by the President. Their successors shall be appointed for terms of three years, except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed: *Provided*, That upon the expiration of his term of office a member shall continue to serve until his successor shall have been appointed and shall have qualified. A vacancy in the Commission shall not impair the right and duty of the remaining members to exercise all the powers of the Commission.

##### POWERS AND DUTIES OF THE COMMISSION

SEC. 4. (a) The Commission shall have the duty of appraising agriculture's research needs, opportunities, and accomplishments and developing authoritative recommendations and reports thereon. This appraisal

shall include the effectiveness of current research programs, to meet existing problems and to achieve the fullest potentialities of agriculture. The Commission shall recommend areas of research which should be initiated, expanded, terminated, or redirected.

(b) In the discharge of these duties the Commission is empowered to:

(1) Consult with the officials of the United States Department of Agriculture, land-grant colleges, other universities, and research institutions, trade associations and private firms, and others performing or sponsoring research on agricultural commodities or problems.

(2) When it deems necessary, meet with the Commodity Research Advisory Committees of the Department of Agriculture.

(3) Seek advice from general farm organizations, commodity organizations, industry associations and organizations, scientific societies, specialists and experts, and others who can contribute to developing dynamic and efficient programs of agricultural research.

(c) The Commission shall emphasize in its studies and reports, ways and means for increased industrial utilization of agricultural products. The Commission shall also emphasize in its studies and reports major problem areas for agricultural research, opportunities to reduce cost and improve quality, and problems of marketing and merchandising agricultural commodities. The Commission shall recommend the nature and extent of agricultural research which may be effectively conducted in foreign countries with foreign currencies available to the United States.

(d) The Commission shall include in its reports recommendations on the proper balance in research effort on both agricultural and commodity problems, including the emphasis needed in production, marketing, utilization, and home economics research, and the balance between applied and basic studies, from time to time, and such other recommendations as it deems appropriate or necessary.

(e) The Commission shall review the organizational structure of the Department of Agriculture charged with the administration of research in the Department and make recommendations to the Secretary of Agriculture for changes therein which will facilitate administration and strengthen the research program of the Department.

(f) The Commission may obtain the services of experts and consultants in accordance with the provisions of section 15 of the Act of August 2, 1946, as amended (5 U.S.C. 55a), and such experts and consultants shall receive the same compensation and reimbursement for expenses as that provided in section 6(c) of the Act of July 10, 1953, c. 184.

##### SALARIES, EMPLOYEES, ETC.

SEC. 5. (a) Members of the Commission shall receive the same compensation and reimbursement for expenses as that provided in section 6(c) of the Act of July 10, 1953, c. 184.

(b) There shall be an Executive Director of the Commission who shall be appointed by the Secretary of Agriculture from among persons nominated by the Commission, and who shall serve at the pleasure of the Commission. The Executive Director shall be appointed without regard to the civil service laws and the Classification Act of 1949, as amended, and shall receive an annual salary not to exceed \$19,000.

(c) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil service laws but in conformity with the standards set forth in the Classification Act of 1949, as amended, except that not more than five professional positions may be established at a level of compensation equivalent to the position of GS-18 in the classified service.



(d) The employees of the Commission, including the executive director of the Commission, while traveling on official business and away from their designated post of duty shall be allowed, in lieu of their actual expenses for subsistence and all fees or tips to porters and stewards, a per diem allowance and transportation expense equivalent to that prescribed for civilian officers and employees of the Department of Agriculture. Said employees shall be subject to the provisions of and entitled to the benefits under the Civil Service Retirement Act of May 22, 1920, as amended.

(e) The Commission may make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere, for such books of reference, periodicals, and for printing and binding) as may be necessary to carry out its functions under this Act.

#### MEETINGS OF THE COMMISSION

SEC. 6. The Commission shall meet at least four times each year and at such other times as it deems necessary.

#### REPORTS OF THE COMMISSION

SEC. 7. The Commission shall make an annual report (and such other reports as is deemed necessary) to the Secretary of Agriculture and Congress not later than June 30 of each year. The annual report shall include an analysis of the research program necessary to meet the needs of agriculture and an appraisal of the benefits to be obtained in relation to the cost of such program, with special emphasis on the industrial utilization of agricultural products.

#### LIMITATION UPON POWERS OF THE COMMISSION

SEC. 8. The Commission shall not conduct or administer research.

#### ADDITIONAL AUTHORITIES

SEC. 9. The Secretary of Agriculture is authorized and empowered:

(a) To make contracts with and grants to, for periods not to exceed five years' duration, State agricultural experiment stations, colleges, universities, and other research institutions and organizations, and to private firms, associations, and individuals for research intended to carry out the purposes of this Act, including experimental commercialization of new crops, new or improved processes and products, and new uses for agricultural products.

(b) To grant exclusive licenses with or without payment of royalty for a fixed period of not to exceed five years for the use of patents under the control of the Department of Agriculture.

#### AMENDMENT TO RESEARCH AND MARKETING ACT OF 1946

SEC. 10. Title III of the Act entitled "An Act to provide for further research into basic laws and principles relating to agriculture and to improve and facilitate the marketing and distribution of agricultural products"; approved August 14, 1946, is amended as follows:

(1) By striking out section 301, and

(2) By deleting in section 302 the words "in addition to the National Advisory Committee" and the commas immediately preceding and following said words.

#### DEFINITION OF AGRICULTURAL PRODUCTS

SEC. 11. The terms "agricultural products," "farm products," and "agricultural" or "farm commodities" as used in this Act shall have the same meaning as the term "agricultural products" in section 207 of the Act of August 14, 1946 (7 U.S.C. 1626).

#### SAVINGS PROVISION

SEC. 12. The authorities under this Act are in addition to and not in substitution for authorities otherwise available under existing law.

#### APPROPRIATIONS

SEC. 13. There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

The SPEAKER. Is a second demanded?

Mr. HOEVEN. Mr. Speaker, I demand a second.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GROSS. Is the gentleman opposed to the bill?

The SPEAKER. Is the gentleman from Iowa [Mr. HOEVEN] opposed to the bill?

Mr. HOEVEN. The gentleman from Iowa is in favor of the bill.

Mr. GROSS. Mr. Speaker, I demand a second.

The SPEAKER. Without objection a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Mississippi [Mr. ABERNETHY] is recognized for 20 minutes and the gentleman from Iowa [Mr. Gross] will be recognized for 20 minutes.

The gentleman from Mississippi will proceed.

Mr. ABERNETHY. Mr. Speaker, we are all aware of the problems faced by the farmers of this country. We are all, I think, deeply and sincerely concerned with finding a means to solve the so-called farm problem. But that problem should be solved in a way that will enable the Nation's farmers to share equitably in the economic progress of our Nation, and at the same time, strengthen the economy and security of the Nation as a whole, including direct benefits to consumers themselves. This is not an easy problem. The House Committee on Agriculture, of which I have the honor of being a member, has struggled long and hard with this dilemma. A fully satisfactory answer is yet to be reached.

We have tried a good many ideas. Some of them have been helpful, some have been necessary for emergency situations, but none has created the substantial new markets which are essential.

We have tried acreage reductions, price supports, export subsidies, plowing under, and we have handed out Federal checks—soil bank checks—as compensation for doing nothing—all of these things and more in an earnest effort to solve the farm problem. Results have been no more than partly satisfying.

But there is one method, the most promising of all, that we have not tried, and that is to make agriculture an equal participant in the scientific revolution. Up to now, agriculture has not been able to go modern, except to a limited extent, in production.

Though I doubt it, some say we face the possibility of socialized farming. The farmer does not want it. The people do not want it. If that is what we are heading for, it is not the farmer's fault. It is the fault of government mainly, and of industry, both of which have failed to give the farmer a fair shake in the great scientific revolution that is

now performing such wonders in our economy and way of living.

The farmer has participated substantially in one-half of this revolution—the half that has to do with production; but he has been denied the rich fruits of the other half that has to do with markets, utilization, cheaper production and new crops. He knows how to produce more than the markets will buy. The burdensome crop surpluses now in warehouses are ample evidence in support of that statement. Giving commodities away at home and abroad will not solve the surplus problem; neither will cutrate sales.

There are certain constructive, positive measures, however, which we can all be sure will benefit the farmer, the consumers, and the nation as a whole. Research is the prime example. Research has had much to do with building our great industrial nation. It has also given us the most efficient agriculture in the world. Just as research can do so much for industry—and industry steps up its research spending by almost a billion dollars each year—research can yet do wonders for agriculture. Using research to help work out our problems is the sound, constructive, American way to do business, to progress and to expand.

Unfortunately, agriculture has lagged far behind industry in the application of research. Especially in our federally supported research programs we see major attention given to other areas. Agriculture, which 20 years ago received about 40 cents of each Federal research dollar, now gets less than 3 cents. Of course, national defense, public health, space exploration and atomic power plants are important. They all depend heavily on research. We would not want to see that research cut one cent. But agriculture is still one of our big problems, and we must do everything we can, everything that is possible, to insure that the future health and prosperity of American agriculture, and our country's strength in what its farms and ranches produce, does not wither and sicken for lack of research support.

Research may not solve the whole farm problem. I do not think it can. But it can do much to cut farm costs, improve income opportunities for farmers, to produce higher quality products for consumers, and to reduce surpluses by expanding present markets and creating new uses, particularly new industrial uses, for the products of farm, ranch and forest. What we do toward improving our agricultural research we can be sure is a move in the right direction for farmers, for consumers, and for the nation as a whole.

Industry has been invading the markets which naturally and historically belong to agriculture. Synthetic fibers have displaced cotton and wool; synthetic detergents have replaced fats and oils; and synthetic resins are now pushing natural oils out of the paint market.

How has industry done this—by research. Industry has studied the needs of the market and has set its scientists







# H. R. 7889

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## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 2 (legislative day, AUGUST 31), 1959

Read twice and referred to the Committee on Agriculture and Forestry

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## AN ACT

To require marketing quotas for rice when the total supply exceeds the normal supply.

- 1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That section 354 of the Agricultural Adjustment Act of  
4       1938, as amended, is amended by striking out of subsection  
5       (a) thereof the words "by more than 10 per centum".

Passed the House of Representatives September 1, 1959.

Attest:

RALPH R. ROBERTS,

*Clerk.*

86TH CONGRESS  
1ST Session

H. R. 7889

## AN ACT

To require marketing quotas for rice when the total supply exceeds the normal supply.

SEPTEMBER 2 (legislative day, AUGUST 31), 1959

Read twice and referred to the Committee on  
Agriculture and Forestry







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF  
BUDGET AND FINANCE

(For Department  
Staff Only)

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HIGHLIGHTS: Senate committee voted to report bill to increase authorization for special milk program. Senate committee reported bill to require marketing quotas for rice. Sen. Murray and others introduced and Sen. Murray discussed the Hawaii omnibus bill.

## SENATE

. SPECIAL MILK. The Agriculture and Forestry Committee voted to report (but did not actually report) with amendment H. R. 9331, to increase the authorized maximum expenditure for the special milk program for the fiscal years 1960 and 1961. p. D114

. RICE MARKETING QUOTAS. The Agriculture and Forestry Committee reported without amendment H. R. 7889, to require marketing quotas for rice when the total supply of rice exceeds the normal supply (under present law marketing quotas go into effect when the normal supply is exceeded by 10 percent ) (S. Rept. 1092). p. 2475

. WHEAT. The Agriculture and Forestry Committee reported with amendment H. R. 4874, to provide that farms on which the farm marketing excess of wheat is adjusted to zero because of underproduction shall be regarded as farms on which

the entire amount of the farm marketing excess of wheat has been delivered to the Secretary or stored to avoid or postpone the payment of the penalty (S. Rept. 1094). p. 2475

The "Daily Digest" states that the "Committee announced that it will resume hearings on pending wheat legislation as soon as possible." p. D114

4. ACREAGE ALLOTMENTS. The Agriculture and Forestry Committee reported with amendment H. R. 8343, to require the preservation of acreage allotments on land from which the owner is displaced by reason of the acquisition thereof by a Government agency in the exercise of the right of eminent domain (S. Rept. 1093). p. 2475
5. WEATHER. The Rules and Administration Committee reported S. Res. 262, authorizing the printing of a report on cold-weather agriculture as a document. p. 2475
6. FARM LABOR. The Rules and Administration Committee reported S. Res. 267, authorizing the Labor and Public Welfare Committee to make a study of all matters pertaining to migratory labor. p. 2475
7. GOVERNMENT CONTRACTS. During the debate on civil rights legislation, Sen. Dirksen submitted an amendment to the bill containing various civil rights proposals, including a proposal to establish a Commission on Equal Job Opportunity Under Government Contracts. The proposal provides that the "Commission shall make recommendations to the President and to Government contracting agencies with respect to the preparation, revision, execution, and enforcement of contract provisions relating to ... nondiscrimination in employment." pp. 2488-91
8. DROUGHT RELIEF; CCC. Sen. Williams, Del., inserted his statement and a statement of the Justice Department announcing that Attorney General Rogers "had approved a settlement of Government claims against 14 railroads, arising out of freight charges on shipments by Commodity Credit Corporation of feed for cattle to southwestern drought areas in 1953," under which the Government will receive approximately \$124,000 in refunds on these freight claims. The claims arose over excessive charges by the railroads for the shipment of cotton seed pellets which had been shipped to mills for processing before shipment to the drought areas. pp. 2487-8

#### HOUSE

9. APPROPRIATION. Agreed to a request by Rep. Cannon to allow the Appropriations Committee until midnight Fri., Feb. 19, to file a report on the Treasury and Post Office appropriation bill for 1961. p. 2539
10. PERSONNEL; TAXATION. Passed, with amendments, H. R. 3151, authorizing the Federal government to withhold income taxes imposed by certain cities from the salaries of Federal employees. (pp. 2541-57) Agreed to an amendment by Rep. Green making this withholding applicable in towns of 50,000 or more, instead of 75,000 or more as in the original bill. (pp. 2553-4) Agreed to an amendment by Rep. Schenck which makes the provision of the bill applicable to persons "who are subject to such tax and whose regular place of Federal employment is at a Federal installation ... within the same State as the city if any part of such installation is located within five miles of the corporate limits of such city." (pp. 2554-5) Rejected an amendment by Rep. Miliken making the provisions of the bill applicable to any political subdivision. (p. 2554)



## RICE MARKETING QUOTAS

FEBRUARY 17 (legislative day, FEBRUARY 15), 1960.—Ordered to be printed

Mr. ELLENDER, from the Committee on Agriculture and Forestry,  
submitted the following

### REPORT

[To accompany H.R. 7889]

The Committee on Agriculture and Forestry, to whom was referred the bill (H.R. 7889), to require marketing quotas for rice when the total supply exceeds the normal supply, having considered the same, report thereon with a recommendation that it do pass without amendment.

This bill provides for rice marketing quotas whenever total supply exceeds normal supply (instead of 110 percent of normal). "Normal supply" includes a 10-percent allowance for carryover, so that there is no need for an additional 10 percent allowance before quotas are imposed. Marketing quotas are designed to result in a normal supply, so that to the extent they accomplished that purpose, unlimited production would be permitted every other year under existing law. Alternate imposition and removal of quotas would disrupt the rice industry and the bill is designed to prevent such a situation. The House committee report is attached.

The Committee on Agriculture, to whom was referred the bill (H.R. 7889) to require marketing quotas for rice when the total supply exceeds the normal supply, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

### PURPOSE

The purpose of this bill is to provide that marketing quotas for rice will be in effect whenever the Secretary of Agriculture determines that the total supply of rice for any calendar year will exceed the normal supply. Existing law provides that marketing quotas shall be put into effect only if it is determined that the total supply will exceed the normal supply by more than 10 percent.



## RICE MARKETING QUOTAS

## NEED FOR THE LEGISLATION

Marketing quotas for rice have been in effect for a number of years and production of rice has become stabilized at a level closely related to domestic consumption plus exports. The definition of "normal supply" in the Agricultural Act of 1938 with respect to rice is: "domestic consumption, plus exports, plus 10 percent." Existing law provides that marketing quotas shall be proclaimed for any crop of rice only if the total supply will exceed the normal supply by more than 10 percent. Thus a carryover of more than 20 percent in the rice crop is necessary in order to authorize the Secretary of Agriculture to proclaim quotas.

Under the stabilized production and marketing conditions which have developed with respect to rice, it is quite likely that a carryover of more than 20 percent in excess of domestic consumption plus exports will not be forthcoming with each future crop. Ricegrowers consider it highly undesirable that quotas should be suspended for a 1-year period and then reinstated the following year, and have, therefore, requested the amendment of the law to make it more likely that quotas will be in effect without interruption.

At hearings held on the bill, the approval of virtually all the organizations representing rice producers was indicated, as well as the approval of general farm organizations, and no witnesses appeared in opposition to the bill.

## COST OF THE BILL

The bill would reduce the overall cost to the Commodity Credit Corporation under its price-support operations on rice because of the reduced supply and the probable reduced deliveries to CCC.

## DEPARTMENTAL APPROVAL

Approval of the bill by the Department of Agriculture is indicated in the following letter:

AUGUST 6, 1959.

HON. HAROLD D. COOLEY,  
*Chairman, Committee on Agriculture,  
House of Representatives.*

DEAR CONGRESSMAN COOLEY: This is in reply to your request of June 23, 1959, for a report on H.R. 7889, a bill to require marketing quotas for rice when the total supply exceeds the normal supply.

This Department recommends the enactment of H.R. 7889.

This bill would amend section 354(a) of the Agricultural Adjustment Act of 1938, as amended, to provide that marketing quotas shall be in effect for the crop of rice produced in the next calendar year whenever in any calendar year the Secretary determines that the total supply of rice for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year. The existing law provides that marketing quotas shall be in effect only if

it is determined that the total supply will exceed the normal supply by more than 10 percent.

With Public Law 85-835 removing rice from the escalator provision of section 101(a) of the Agricultural Act of 1949, as amended, which required that the price of rice be supported at 75 to 90 percent parity based on the supply percentage for such commodity, there appears to be no essential need for maintaining a carryover of rice in excess of that provided for in the definition of "normal supply" (10 percent of domestic and export requirements) as set forth in section 301(b)(10)(A) of the Agricultural Adjustment Act of 1938, as amended. Such a carryover would amount to about 5 million hundredweight (Rough rice basis).

Under existing law, marketing quotas on rice would be suspended if the carryover level is not in excess of 12 million hundredweight (Rough rice basis). Without marketing quotas for rice in effect and with price supports mandatory at not less than the designated levels producers generally could be expected to plant an acreage to rice substantially in excess of the national acreage allotment. The resulting production from such increased plantings, together with a carryover of about 12 million hundredweight, would, no doubt, aggravate and tend to perpetuate our current rice problems.

This bill, therefore, could reduce the overall cost to the Commodity Credit Corporation under its price-support operations on rice due to reduced deliveries.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

(s) ERVIN L. PETERSON,  
*Acting Secretary.*

#### CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

#### AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

\* \* \* \* \*

#### MARKETING QUOTAS

SEC. 354. (a) Whenever in any calendar year the Secretary determines that the total supply of rice for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year [by more than 10 per centum], the Secretary shall not later than December 31 of such calendar year proclaim such fact and marketing quotas shall be in effect for the crop of rice produced in the next calendar year.

(b) Within thirty days after the date of the issuance of the proclamation specified in subsection (a) of this section, the Secretary shall conduct a referendum by secret ballot of farmers engaged in the production of the immediately preceding crop of rice to determine whether such farmers are in favor of or opposed to such quotas. If more than one-third of the farmers voting in the referendum oppose such quotas the Secretary shall, prior to the 15th day of February, proclaim the result of the referendum and such quotas shall become ineffective.



Calendar No. 1135

86TH CONGRESS  
2D SESSION

# H. R. 7889

[Report No. 1092]

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## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 2 (legislative day, AUGUST 31), 1959

Read twice and referred to the Committee on Agriculture and Forestry

FEBRUARY 17 (legislative day, FEBRUARY 15), 1960

Reported by Mr. ELLENDER, without amendment

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## AN ACT

To require marketing quotas for rice when the total supply exceeds the normal supply.

1     *Be it enacted by the Senate and House of Representa-*  
2     *tives of the United States of America in Congress assembled,*  
3     That section 354 of the Agricultural Adjustment Act of  
4     1938, as amended, is amended by striking out of subsection  
5     (a) thereof the words "by more than 10 per centum".

Passed the House of Representatives September 1, 1959.

Attest:

RALPH R. ROBERTS,

*Clerk.*

86TH CONGRESS  
2D SESSION

**H. R. 7889**

[Report No. 1092]

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Reported without amendment





PL. N. 1003

1003

AN ACT

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# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF  
BUDGET AND FINANCE

(For Department  
Staff Only)

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HIGHLIGHTS: Senate committee reported (on Mar. 25) Interior appropriation bill. House passed general Government matters appropriation bill. House committee reported (on Mar. 25) Labor-HEW appropriation bill. Senate passed bill to require rice marketing quotas when supply exceeds normal supply.

## HOUSE

1. APPROPRIATIONS. Passed without amendment H. R. 11389, the general Government matters appropriation bill for 1961, making appropriations for the Executive Office of the President and sundry Government agencies. (pp. 6093-107) The Appropriations Committee had reported this bill without amendment on March 25 (H. Rept. 1427). (p. 6115)  
The Appropriations Committee reported, on March 25, without amendment H. R. 11390, the Departments of Labor, and Health, Education, and Welfare appropriation bill for 1961 (H. Rept. 1428). (p. 6115) The "Daily Digest" states that this will be acted on by the House on Tues., Mar. 29. (p. D241)
2. FOOD. Rep. Adair commended a film, "Tomorrow's Foodpower," which he calls "interesting and colorful" and a film that "points up the problems which our growing population will create with respect to the production of food in the coming years." pp. 6085-6
3. FARM PROGRAM. Rep. Whitten inserted a statement by a high school student which gives "thought and consideration to farm people, the bulwarks of our Nation." pp. 6110-1

4. TRANSPORTATION. Received a memorial from the Legislature of Alaska requesting "consideration" of "the questions involved with relation to the proper amendments to laws governing interstate commerce affecting the broad problems of transportation to, from and within the newly created State of Alaska." p. 6116
5. WATER; LANDS. Received a memorial from the Legislature of South Carolina asking cancellation of plans "for construction of new dams on the Savannah River; to release certain reservoir lands and to place the control of water in the Clarks Hill Reservoir under local water authority." p. 6116
6. INSPECTION. Received a memorial from the Legislature of the State of Arizona requesting appropriation of "sufficient funds for the purpose of maintaining 24 hours a day, the compound on the international border at Lukeville, Ariz." p. 6116
7. MEAT; DAIRY PRODUCTS. Received two petitions from the Goshen Grange No. 856, Whatcom County, Wash., "recommending legislation be enacted requiring all meat imported, to be sold at retail counters in competition with meat produced in this country, be plainly labeled as imported meat, and requesting action be taken by the Congress to prevent removal of import restrictions on dairy products." p. 6117

SENATE

8. INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1961. The Appropriations Committee reported (on Fri., Mar. 25) with amendments this bill, H. R. 10401, which includes items for the Forest Service, saline water research, the Outdoor Recreation Resources Review Commission, and the Virgin Islands Corporation (S. Rept. 1203) (p. 6118). At the end of this Digest is a table showing the Forest Service items, and excerpts from the committee report.
9. RICE MARKETING QUOTAS. Passed without amendment H. R. 7889, to require marketing quotas for rice when the total supply of rice exceeds the normal supply (under present law marketing quotas go into effect when the normal supply is exceeded by 10 percent). This bill will now be sent to the President. p. 6167
10. ACREAGE ALLOTMENTS. Passed as reported H. R. 8343, to require the preservation of acreage allotments on land from which the owner is displaced by reason of the acquisition thereof by a Government agency in the exercise of the right of eminent domain so long as the land remains leased to the former owners of the land. pp. 6167-8
11. WHEAT. Passed as reported H. R. 4874, to provide that farms on which the farm marketing excess of wheat is adjusted to zero because of underproduction shall be regarded as farms on which the entire amount of the farm marketing excess of wheat has been delivered to the Secretary or stored to avoid or postpone the payment of the penalty. p. 6168
12. RECLAMATION. Passed as reported S. 68, to provide for continued delivery of water under the Federal reclamation laws to lands held by husband and wife upon the death of either. pp. 6174-5  
Passed as reported S. J. Res. 150, to permit the Secretary of the Interior to continue to deliver water to lands in the 3rd division, Riverton Federal Reclamation project, Wyo. p. 6175



Mr. PROUTY. Mr. President, over by request.

The PRESIDING OFFICER. The resolution will be passed over.

The resolution (S. Res. 256) authorizing the printing of additional copies of the unemployment selected readings prepared by the Special Committee on Unemployment Problems was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. PROUTY. Over, by request.

The PRESIDING OFFICER. The resolution will be passed over.

The resolution (S. Res. 257) authorizing the printing of additional copies of the studies in unemployment prepared by the Special Committee on Unemployment Problems, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. PROUTY. Over, by request.

The PRESIDING OFFICER. The resolution will be passed over.

The resolution (S. Res. 260) to print with illustrations a committee print entitled "Relative Water and Power Resource Development in the U.S.S.R. and U.S.A." was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. PROUTY. Over, by request.

Mr. MORSE. Mr. President, will the Senator from Vermont withhold his objection for a moment?

Mr. PROUTY. Yes.

Mr. MORSE. Mr. President, I believe this is a report which ought to be available in sufficient supply to be used by all Senators, particularly members of the Committee on Foreign Relations. It is an important report from the standpoint of helping to clarify the thinking of some of us on matters with regard to the challenge which Russia is presenting to us in the field of hydroelectric power development. The expenditure involved in connection with supplying the reprint called for is exceedingly nominal in relation to the great value that would flow from an educational standpoint in making the information available. I hope that at an early date we may get the approval of the Senate for the printing of these additional copies of the report.

I wish to say to the Senator from Utah [Mr. Moss] and the other Members of the Senate who went to Russia that they have given us a very valuable report and have performed a great service to the Senate. Not to make this report available in sufficient supply for use by Senators would clearly be pennywise and pound foolish.

The PRESIDING OFFICER. Objection is heard. The resolution will go over.

#### PRINTING OF ADDITIONAL COPIES OF HEARINGS ON EMPLOYMENT, GROWTH, AND PRICE LEVELS

The concurrent resolution (S. Con. Res. 86) authorizing the printing of ad-

ditional copies of the hearings on employment, growth, and price levels was considered and agreed to, as follows:

*Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee one thousand additional copies of the hearings on employment, growth, and price levels held by that committee during the first session of the Eighty-sixth Congress.*

#### PRINTING OF ADDITIONAL COPIES OF REPORT ON EMPLOYMENT, GROWTH, AND PRICE LEVELS

The concurrent resolution (S. Con. Res. 87), authorizing the printing of additional copies of the report on employment, growth, and price levels was considered and agreed to, as follows:

*Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee one thousand additional copies of the report on employment, growth, and price levels prepared by that committee during the first session of the Eighty-sixth Congress.*

#### PRINTING OF ADDITIONAL COPIES OF HEARINGS ON ENERGY RESOURCES AND TECHNOLOGY

The concurrent resolution (S. Con. Res. 88), authorizing the printing of additional copies of the hearings on energy resources and technology, was considered and agreed to, as follows:

*Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee one thousand additional copies of the hearings on energy resources and technology, held by that committee during the first session of the Eighty-sixth Congress.*

#### PRINTING OF ADDITIONAL COPIES OF STUDIES ON COMPARISONS OF UNITED STATES AND SOVIET ECONOMIES

The concurrent resolution (S. Con. Res. 89), authorizing the printing of additional copies of the studies on comparisons of United States and Soviet economies, was considered, considered and agreed to, as follows:

*Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee one thousand additional copies of the studies on comparisons of the United States and Soviet economies, prepared by that committee during the first session of the Eighty-sixth Congress.*

#### MARKETING QUOTAS FOR RICE

The bill (H.R. 7889) to require marketing quotas for rice when the total supply exceeds the normal supply was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. ELLENDER. Mr. President, I ask unanimous consent that a statement explaining the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### STATEMENT BY SENATOR ELLENDER

This bill provides for the proclamation of rice marketing quotas whenever the supply exceeds normal. Existing law requires that supply exceed normal by more than 10 percent before quotas are proclaimed.

Normal supply consists of domestic consumption and exports plus a 10-percent allowance for carryover. This allowance for carryover, which amounts to about 5 million hundredweight, is adequate. Marketing quotas have been in effect for rice since 1955. Their suspension for any year could be anticipated to result in considerable expansion of acreage for that year followed by a difficult readjustment to quotas in the following year. The bill is designed to prevent such a situation.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

#### ACQUISITION OF CROPLAND BY EMINENT DOMAIN

The bill (H.R. 8343) relating to the preservation of acreage allotments on land from which the owner is displaced by reason of the acquisition thereof by a Government agency in the exercise of the right of eminent domain, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry, with an amendment, on page 2, line 7, after the word "to," to strike out "one year" and insert "two years."

Mr. ELLENDER. Mr. President, I ask unanimous consent that a brief explanation of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### STATEMENT BY SENATOR ELLENDER

This bill would continue acreage allotments on lands acquired by agencies having the right of eminent domain so long as they remain leased to their former owners. It would also permit Federal Government lands to be leased to their former owners for the production of price supported crops without regard to section 125 of the Soil Bank Act.

At present where farm lands are acquired by any agency having the right of eminent domain, the allotments on the farm are pooled for use in providing allotments for other farms owned by the former owner of the farm lands so acquired. This is so even though such former owner remains on the farm under lease from the acquiring agency, continues farming it, and operates no other farm. So long as the former owner is allowed to remain in possession, there would seem to be no reason for not permitting him to operate the farm as he has in the past, and the bill is designed to accomplish this purpose. This will minimize the adverse effect of the Government's land acquisition operations on the individual farmer and the community.



Section 125 of the Soil Bank Act prohibits the leasing of Federal Government lands for the production of price supported crops in surplus supply. The bill would exempt from this prohibition lands leased to their former owner.

The committee amendment gives a former owner who is not in possession of the land at the time the bill becomes effective 2 years, instead of 1, to obtain a lease from the Government and qualify for the continuation of allotments on the land.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

#### AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938

The bill (H.R. 4874) to amend section 334 of the Agricultural Adjustment Act of 1938, as amended, to provide that for certain purposes of this section, farms on which the farm marketing excess of wheat is adjusted to zero because of underproduction shall be regarded as farms on which the entire amount of the farm marketing excess of wheat has been delivered to the Secretary or stored to avoid or postpone the payment of the penalty, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent that a short explanation of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

##### STATEMENT BY SENATOR SCHOEPPEL

This bill provides for crediting a wheat farmer who exceeds his allotment, but fails to produce a marketing excess, with the same history he would have received if he had produced an excess and stored it to avoid penalty.

Wheat farmers who either keep within their allotments, or store any marketing excess produced by them, are credited for the purpose of future allotments with acreage history equal to their base acreage. Wheat farmers who exceed their allotments and do not store their marketing excess are credited only with history equal to their allotted acreage, and lose the difference between their allotted acreage and base acreage. Wheat farmers who exceed their allotments but suffer a crop failure so that they have no marketing excess should, of course, be in as good a position as farmers producing and storing an excess. However, the law is not now so construed and such farmers receive credit only for their allotted acreage. The bill would correct this situation by providing for their being credited with their full base acreage.

The committee amendment makes no change in substance, but does make it clear that exempt farms, which could not avoid a loss of acreage history by storing any excess they might produce, will similarly not be able to avoid such loss if they have a crop failure. The committee amendment also clarifies the effective date of the bill.

The committee amendment, except for its last two sentences, has been previously approved by the Senate when it agreed to the conference report last year on S. 1968.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry, with an amendment, to strike out all after the enacting clause and insert:

That section 334 of the Agricultural Adjustment Act of 1938, as amended, is further amended by inserting a new subsection (d) between subsections (c) and (e) to read as follows:

"(d) For the purposes of subsections (a), (b), and (c) of this section, any farm—

"(1) to which a wheat marketing quota is applicable; and

"(2) on which the acreage planted to wheat exceeds the farm wheat acreage allotment; and

"(3) on which the marketing excess is zero shall be regarded as a farm on which the entire amount of the farm marketing excess has been delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone the payment of the penalty. This subsection shall be applicable in establishing the acreage seeded and diverted and the past acreage of wheat for 1959 and subsequent years in the apportionment of allotments beginning with the 1961 crop of wheat. For the purpose of clause (1) of this subsection, a farm with respect to which an exemption has been granted under section 335(f) for any year shall not be regarded as a farm to which a wheat marketing quota is applicable for such year, even though such exemption should become null and void because of a violation of the conditions of the exemption."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

#### INCREASE IN EXPENDITURE UNDER THE SPECIAL MILK PROGRAM FOR CHILDREN

The bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. PROUTY. Mr. President, while I personally favor the bill, I have been requested that it be held over.

Mr. MORSE. Mr. President, will the Senator withhold his objection for a moment?

Mr. PROUTY. Yes.

Mr. MORSE. Mr. President, if we do not get favorable action on the bill on the call of the calendar, I should like to say that it is certainly a bill that ought to be brought up by motion at an early date for consideration by the Senate. I say most respectfully that I do not see how there could be any possible justification for letting the bill die on the calendar. We cannot deny this assistance to

the little boys and girls in the United States who need milk.

It is just as simple as that. It is a great humanitarian bill. We ought to act on it. We ought to provide whatever additional funds are needed to give the boys and girls milk when they need it. I make this statement not from the standpoint of the milk industry, but from the standpoint of the nutritional needs of a lot of little boys and girls in this country to whom we had better be giving some attention, because they happen to be the greatest wealth we have.

Mr. PROUTY. Mr. President, I find myself in perfect and complete agreement with the Senator from Oregon.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have a short explanation of the bill printed at this point in the RECORD.

The PRESIDING OFFICER. Objection is heard. The bill will be passed over.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

##### STATEMENT OF SENATOR ELLENDER

This bill would increase the funds available for the special milk program to \$85 million for the current fiscal year and \$95 million for each fiscal year thereafter. This would be an increase of \$4 million from the \$81 million now available for the current year and an increase of \$11 million from the \$84 million now available for fiscal 1961. Because of expanded participation in the program, these increases are necessary to maintain the current payment rates of 4 cents per half pint for schools participating in the school lunch program and 3 cents per half pint for schools not participating in the school lunch program.

The bill would also make the program permanent. The program was first authorized by the Agricultural Act of 1954 and has been expanded and continued from time to time through fiscal 1961. The program has proved very successful and should now be made permanent.

The committee amendments increase the amount of Commodity Credit Corporation funds authorized by the House bill for fiscal 1961 from \$85 million to \$95 million, make the program permanent, and strike out an authorization for the appropriation of an additional \$15 million for fiscal 1961. Use of a combination of Commodity Credit Corporation funds and appropriated funds would result in unnecessary accounting and other fiscal problems.

The report states that because of the inadequacy of funds now authorized to cover expanded participation in the program a reduction of one-half cent per half pint in reimbursement rates has been announced effective April 1. Since the bill was reported the reduction has been deferred to May 1, but if additional funds should not be authorized by then, the reduction would be 1 cent per half pint.

#### DEPARTMENT OF COMMERCE APPROPRIATIONS, 1961 — BILL PASSED OVER

The bill (H.R. 10234) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1961, and for other purposes, was announced as next in order.







Public Law 86-408  
86th Congress, H. R. 7889  
April 4, 1960

AN ACT

74 STAT. 15.

To require marketing quotas for rice when the total supply exceeds the normal supply.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 354 of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out of subsection (a) thereof the words "by more than 10 per centum". <sup>63 Stat. 1060.</sup>  
<sup>7 USC 1354.</sup>

Approved April 4, 1960.





